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THE CHIEF, ENGINEERING DIVISION

Chief, Procurement Division, CL

15 February 1957

Chief, Engineering Division, OC

ENG-9-176

Contract RD-85, Task Order 2,  
Production Corporation

25X1

REF : a. Memorandum to [redacted] 25X1  
 Fort Davis Station, Washington, D.C., Signed: [redacted]  
 [redacted], dated 12 December 1956 25X1

b. Memorandum to [redacted] P. O. Box 6788, 25X1  
 Fort Davis Station, Washington, D.C., Signed: [redacted]  
 [redacted] dated 8 February 1957 25X1

1. The referenced memorandums seek additional funds for the execution of the subject contract. Task Order 2 of the contract requires the development and delivery of ten RP-11 Power Supplies and ten RH-11 Hand Crank Generators which constitute the RS-11A/B Power Supply System. The contractor submitted individual equipment cost estimates and a contract was subsequently awarded based on these estimates.

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2. The contractor seeks an additional sum of \$1,494.35 to complete the RP-11 Power Supply which constitutes an overrun of approximately 10% and is considered fair and reasonable. The scope of the work has not been increased and consequently the fixed fee is not affected. With respect to the RH-11 Hand Crank Generator portion of the Task Order, the contractor seeks funds in excess of 100% of his original cost estimate for this work. We recommend that the Hand Crank Generator portion of the Task Order be terminated and a final report rendered.

3. It is requested that the contractor be authorized an increase for the RP-11 Power Supply development as indicated above and that he be formally advised of non-approval of additional funds for a continuation of the RH-11 Hand Crank Generator development. Funds resulting from the termination of the RH-11 should be adequate to cover increased costs for the RP-11 Power Supply development portion of the Task Order.

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OC-E/R&D-EP/CEM:wlj (15 February 1957)  
 cc: R&D Subject File/OC-E/Reading/Chrono/Dev-ep

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